DESCRIPTION OF THE COOPERATIVE ARRANGEMENTS
WITH THE STATE BOARD OF HEALTH

(Based on the provisions of Title XIX of the Social Security Act and Indiana Acts of 1969, as amended)

OFFICIAL

Responsibilities of the State Department of Public Welfare to the State Board of Health

1. Provide copies of the State Medicaid Plan.

2. Provide current state administrative rules and regulations.

3. Provide a list of ineligible providers and suppliers of care and services current within five (5) working days.

4. Appraise of any limitations of medical benefits to be provided or supplied.

Responsibilities of the State Board of Health to the State Department of Public Welfare

A. Conduct on-site surveys as necessary to implement the processing of applications done by State Department of Public Welfare for skilled care homes under the Title XIX Program.

   1. Conduct certification surveys.

   2. Conduct follow-up investigation to determine correction of deficiencies.

   3. Conduct investigations of complaints.

   4. Consider application void when the applying provider or supplier does not demonstrate compliance with conditions of participation within 90 days of date of application for a specific category of care or service at one time.

   5. Provide forms for fulfilling the Board of Health's responsibility within this program.

B. Accept and process applications for participation.

   1. Accept applications from other providers for participation under Title XIX of the Social Security Act.

DEC 14 [illegible]

2. Conduct follow-up investigation to determine correction of deficiencies.

3. Conduct investigations of complaints.



4. Consider application void when the applying provider or supplier does not demonstrate compliance with conditions of participation within 90 days of date of application for a specific category of care or service at one time.

5. Provide forms for fulfilling the Board of Health's responsibility within this program.

C. Recommend appropriate action on certification of providers of care and services based upon assessment of compliance with conditions of participation including standards, factors, regulations, and requirements. Certification recommendations are to be kept current within five (5) working days after final determination of compliance.

No facility can be recommended for more than one(1) year, and if a specific deficiency is present that deficiency must be corrected within a maximum of a year's time, except for those Title XIX homes also certified under Title XVIII where the maximum allowable time to correct any specific deficiency could be 18 months.

1. Hospitals - The Title XVIII (Medicare) regulations, standards, and procedures as prescribed in HIR-10 HIM-7 shall apply. Certification for participation under Title XVIII shall constitute authority for recommendation of certification under Title XIX.

2. Skilled Nursing Homes - The Title XVIII (Medicare) regulations, standards, and procedures as prescribed in HIR-11 and HIM-7 shall apply except as they relate to acceptance and processing of applications and termination date of provider agreements. Supplemental Federal and single state agency requirements shall be applicable, such as survey agency responsibility for quarterly staffing reports for skilled nursing homes. Certification of a facility for Title XVIII participation, along with meeting additional requirements, shall constitute authority for recommendation for certification as a skilled nursing home.

3. Intermediate Care Facilities - Such facility shall be licensed to provide a level of care at or above residential care as defined in State Health Facilities Regulations. Further, facility shall meet relevant Federal regulations (Title 45, Chapter 2, Part 234.130) and additional requirement prescribed by the responsible single state agency.

Read 12/14/89
DPO

# INTERAGENCY AGREEMENT BETWEEN FAMILY AND SOCIAL SERVICES ADMINISTRATION'S OFFICE OF MEDICAID POLICY AND PLANNING AND THE INDIANA STATE DEPARTMENT OF HEALTH

## I. PURPOSE

This Agreement is entered into by the Family and Social Services Administration's Office of Medicaid Policy and Planning, hereinafter referred to as OMPP, and the Indiana State Department of Health, hereinafter referred to as Health, for the purpose of defining interrelationships and responsibilities as well as providing for coordination between the parties in the certification of nursing facilities and intermediate care facilities for the mentally retarded (hereinafter jointly referred to as "long term care facilities") for participation in the Indiana Medical Assistance Program (Medicaid).

It is acknowledged by the parties hereto that Health is also responsible for survey and certification of certain Medicaid providers under Title XVIII (Medicare).

## II. AUTHORITY

This Agreement is written in accordance with and pursuant to 42 USC 1396a(a)(5), 42 USC 1396a(a)(9) and 42 USC 1396a(a)(33), 42 CFR Part 431, Subparts A and M, 42 CFR part 442, the Indiana State Plan for Medical Assistance required under 42 USC 1396 et seq. and the Indiana State Health Plan required under section 42 USC 246 et seq.

## III. RESPONSIBILITIES OF OMPP

A. OMPP shall administer its responsibilities regarding the Medicaid program for long term care facilities in accordance with federal law and regulation, specifically 42 CFR Parts 431 and 442, and state law, specifically IC 12-15-1-1 et seq.

B. OMPP shall perform the following duties specifically relating to the survey and certification process for long term care facilities as mentioned in Section I above which are certified under Title XVIII:

1. OMPP shall maintain and supply to Health upon request all rules and regulations pertaining to Medicaid long term care facilities and inform Health of changes thereto.

2. OMPP shall issue, renew, cancel, or terminate provider agreements in accordance with certification findings issued by Health (or in the case of a Medicare participating facility, the Department of Health and Human Services, hereinafter referred to as DHHS).

3. OMPP shall notify Health on a timely basis of all provider agreement issuances, assignments, amendments, expirations and denials.

4. OMPP shall refer to Health any information regarding alleged violations of certification standards and hazards to the health and safety of patients residing in long term care facilities participating in the Medicaid program.

5. OMPP shall provide to Health input regarding the appropriateness of remedies, other than termination, imposed by Health. This input by OMPP will be supplied as expeditiously as possible.

C. In exchange for services rendered in accordance with Section IV of this agreement, OMPP shall reimburse Health for actual costs allowable under appropriate federal regulations and guidelines, associated with the performance of Health's duties and responsibilities. OMPP shall reimburse Health for only those costs for which federal financial participation is available. Such reimbursement shall be subject to the following conditions:

1. Health shall forward copies of quarterly expenditure reports HCFA 435, HCF 435A, and HCFA 434 to OMPP. Health shall also provide a written request stating the total amount of funds to be reimbursed, designating the appropriate fund object center to which funds are to be transferred. OMPP shall transfer to Health title XIX federal funds to cover the Medicaid Certification and Nurse Aide Registry expenditures within thirty (30) days from receipt of documentation.

2. Full reimbursement shall be for expenditures incurred during the survey and certification of long term care facilities, including providers and suppliers that are defined and certified under Title XVIII (Medicare), which are consistent with a budget that has received prior approval from OMPP and DHHS.

3. Expenditures for which reimbursement is claimed under this agreement shall not include any expenditures that are attributable to Health's overall responsibilities under State law and regulations for establishing and maintaining standards pertaining to State licensure of health facilities.

4. The state share of expenditures under this section shall be paid by Health.

## IV. RESPONSIBILITIES OF HEALTH

A. In accordance with 42 USC 1396a(a)(9) and (33) and the Indiana State Plan for Medical Assistance, Health has been designated as the state health standard setting authority and state survey agency responsible for determining the compliance of long term care facilities with standards for participation in the Medicaid program.

B. Health, as the designated state survey agency, shall perform the following duties specifically relating to the survey and certification of providers and suppliers defined and certified under Title XVIII (Medicare):

1. Utilizing qualified personnel, Health will conduct on-site surveys of Intermediate Care Facilities for the Mentally Retarded/Developmentally Disabled (MR/DD) at least annually, or more frequently if there is a question of compliance; and

conduct on-site and follow-up surveys of Nursing Facilities in accordance with the time frames required by 42 USC 1396r(g).

2. Health will use federal standards and the forms, methods, and procedures designated by DHHS to determine provider eligibility and certification under Medicaid as defined by 42 CFR 442.

3. Health will document findings and complete reports regarding a facility's compliance or noncompliance with each standard or requirement, including a listing of deficiencies. Upon determining the certification status and appropriate remedy(ies), Health will notify OMPP and the provider of certification status and any remedy(ies) imposed by Health in accordance with applicable federal rules and transmittals.

4. OMPP may provide input on discontinuation of remedy(ies) and Health will notify the provider and OMPP of any action to discontinue remedy(ies).

5. Health will make available to the provider, in accordance with 42 CFR 488.331, an informal dispute resolution process upon request of the provider after the provider receives notice of certification of noncompliance.

6. Health will conduct provider appeals of determinations of facility compliance so long as the scope of the appeal is limited as set forth in Federal Regulations 42 CFR 431. If judicial determinations or changes to statute or regulations expand the scope of appeal beyond that set forth in 42 CFR 431, OMPP and Health shall reconsider Health's obligation to make final determinations as to remedy and the conduct of provider appeals by Health.

7. Hearing decisions will be forwarded to OMPP.

8. Health will report findings and notify OMPP of final determinations or any changes in the status of certification in a timely manner. The notification to OMPP must include:

   a. The type and term of certification, recertification or decertification;

   b. Total number of certified beds and location if distinct part certification; and

   c. Relevant materials supporting the certification decision, including ownership information.

9. Health will maintain on file all information and reports used in determining each facility's compliance with federal requirements, as maintained in the normal course of business, for a period of three (3) years or such longer period of times as may be required by OMPP, and make such information and reports readily accessible to OMPP, DHHS, or their respective agents upon request. Such requests may be made:

   (i) For meeting other requirements under the plan; and

(ii) For purposes consistent with the Medicaid agency's effective administration of the program.

10. Health will retain in the state survey agency office accurate ownership information, survey reports, findings, and deficiency statements, all of which shall become public information pursuant to State and Federal law.

11. Health will obtain, at the time of annual survey, and promptly furnish to OMPP, ownership and control information for each participating facility.

12. Health will investigate complaints regarding participating facilities allegedly violating certification standards or otherwise jeopardizing the health and safety of patients. Also, Health will respond timely to OMPP following referral of alleged violations in accordance with section III, part B, paragraph 4, or this agreement.

13. Health will submit budget requests, expenditure estimates, and requests for reimbursement and expenditure reports at such times and in such manner as required by OMPP or DHHS, including the following:

a. The above submittals shall be in accordance with federal guidelines unless otherwise specified in writing by OMPP.

b. Health shall furnish or make available on request such supplemental accounts, records, or other information as may be required by OMPP, DHHS, or their agents, to substantiate any estimate, expenditure, or report as may be necessary for auditing purposes to verify the permissibility of expenditures under the agreement. This will include a separate accounting of Nurse Aide Registry and Training costs for OMPP's use in HCFA 64 reporting. Health is required to comply with nurse aide registry, nurse aide training and nurse aide competency evaluation requirements, pursuant to 42 USC 1396r(b)(5).

c. Each submittal shall include only those expenditures that are allowable under applicable federal regulations and guidelines; necessary and proper for carrying out Health's duties and responsibilities (including subcontract costs) under this agreement; and which are not attributable to Health's overall responsibilities under State law and regulations for establishing and maintaining standards pertaining to State licensure of health facilities.

d. Documentation supporting expenditures reimbursed pursuant to Section III(C) shall be retained for a period of three (3) years with the following qualifications.

1. If an audit is in progress, or if audit findings have not been resolved, the above-described records shall be retained until final resolution occurs.

2. The three- (3) year retention period shall begin as of the date that the final payment is delivered to Health, or the date of expiration of this agreement, whichever is later.

14. Health will administer the dedicated fund for collection of civil money penalties and provide information to OMPP about the administration of the fund upon request. To the extent permitted under federal or state law, Health will make payments from the dedicated fund for the protection of the health or property of residents of nursing facilities that the State or HCFA finds noncompliant, including payment for the costs of relocation of residents to other facilities, maintenance of operation of a facility pending correction of deficiencies or closure, and reimbursement of residents for personal funds lost; only after those funds are depleted or otherwise unavailable will OMPP consider making an advancement of Medicaid reimbursement to such facility.

## V. GENERAL PROVISIONS

A. The certification authority of Health shall not be delegated to any other governmental or private agency. However, Health may subcontract for and utilize the services, facilities and records of any State agency or local governmental agency to assist Health in performing its survey-related duties and responsibilities. Any subcontracts entered into by Health shall be written in accordance with this Agreement. No subcontract provision shall supersede any provision of this Agreement.

B. If a final disallowance is assessed the State due to Health's failure to abide by the provisions of this agreement and the governing federal regulations, the disallowance shall be assessed to Health in the following manner:

1. If the disallowance is the result of a fiscal audit, Health shall make restitution to OMPP, with assistance from the State Budget Agency, within a reasonable time frame.

2. If the disallowance is the result of a program or performance audit/review, Health shall repay all identified funds (federal and state) expended in relation to the invalid or incorrect action within a reasonable time period after the federal adjustment to the state account. The identified funds shall include the direct and indirect costs associated with the administrative, survey, and support personnel involved in the certification and decision making process which resulted in assessment of the disallowance.

C. Any property purchased with funds paid to Health under the provision of this and previous agreements shall be accounted for in accordance with standards established by OMPP governing the disposition of such property. OMPP shall provide Health with a copy of such standards.

D. The parties agree that this Agreement may be modified or amended by written amendments signed by both parties or their designated representatives.

E. This Agreement may be terminated by either party upon ninety- (90) days advance written notice to the other party. Termination of this Agreement shall be without

prejudice to any obligation or liability of either party already accrued prior to such termination.

F. The foregoing constitutes the final written expression of agreement between the parties. Prior inconsistent oral and written agreements are hereby superseded.

G. Each of the parties hereto acknowledges and presents that such party has carefully read and fully understands the terms, conditions, and effect of this agreement and is entering into this agreement freely and voluntarily.

H. Multiple copies of this agreement may be executed in counterpart in lieu of a fully executed original. This agreement shall be deemed executed upon the date that both parties have signed a counterpart and delivered the signed counterpart to the other party. All of the counterparts, collectively, shall constitute the original agreement so that each of the parties shall be bound by the mutual promises and obligations of this agreement in full.

I. This agreement cannot be amended, modified, or supplemented in any respect except by subsequent written agreement signed by both parties.

J. This agreement shall be governed by the laws of the State of Indiana.

K. This agreement shall be binding upon the parties hereto, and their personal representatives, heirs, assigns, and successors in interest.

This agreement constitutes the terms or conditions agreed upon this 18th day of March, 2000 by the Indiana State Department of Health and the Office of Medicaid Policy and Planning.

The parties having read and understood the foregoing terms of the contract do by their respective signatures dated below hereby agree to the terms thereof:

Kathleen Gifford, Assistant Secretary
Family and Social Services Administration's
Office of Medicaid Policy and Planning

Richard D. Feldman, M.D.
Health Commissioner
State Department of Health

Roger E. Sall for 3-18-00
Peggy Boehm, Director
State Budget Agency

TN # 00-003
Supersedes
TN # 95-029

Approval Date MAY 04 2000

Effective Date 3-18-00

State of Indiana

utilize the services, facilities and records of any State agency or local governmental agency to assist Health in performing its survey-related duties and responsibilities. Any subcontracts entered into by Health shall be written in accordance with this Agreement. No subcontract provision shall supersede any provision of this Agreement.

B. If a final federal disallowance is assessed the State due to Health's failure to abide by the provisions of this agreement and the governing federal regulations, the disallowance shall be assessed to Health in the following manner:

1. If the disallowance is the result of a fiscal audit, Health shall make restitution to OMPP, with assistance from the State Budget Agency, within a reasonable time period.

2. If the disallowance is the result of a program or performance audit/review, Health shall repay all identified funds (federal and state) expended in relation to the invalid or incorrect action within a reasonable time period after the federal adjustment to the state account. The identified funds shall include the direct and indirect costs associated with the administrative, survey, and support personnel involved in the certification and decision making process which resulted in assessment of the disallowance.

C. Any property purchased with funds paid to Health under the provisions of this and previous agreements shall be accounted for in accordance with standards established by OMPP governing the disposition of such property. OMPP shall provide Health with a copy of such standards.

D. The parties agree that this Agreement may be modified or amended by written amendment signed by both parties or their designated representatives.

E. This Agreement is entered into this 20TH day of NOVEMBER, 1995, and shall be reviewed annually by the parties. This Agreement may be terminated by either party upon ninety (90) days' advance written notice to the other party. Termination of this Agreement shall be without prejudice to any obligation or liability of either party already accrued prior to such termination.

F. The foregoing constitutes the final written expression of agreement between the parties. Prior inconsistent oral and written agreements are hereby superseded.

State of Indiana

James M. Verdier, Asst. Secretary
Office of Medicaid Policy and
Planning

John C. Bailey, M.D.
Health Commissioner
State Department of Health

Katherine L. Davis, Director
State Budget Agency